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7 Attorney for Plaintiff
8 STANDARD INSURANCE COMPANY

9 UNITED STATES DISTRICT COURT
10 NORTHERN DISTRICT OF CALIFORNIA

11 STANDARD INSURANCE
12 COMPANY, an Oregon Corporation,

13 Plaintiff,

14 vs.

15 VICTORIA P. GILLILAND, as Trustee
16 of The Gilliland Revocable Trust and as
17 an Individual; DAVID GILLILAND;
18 JEFFREY GILLILAND; MATTHEW
19 GILLILAND; and, LISA GILLILAND,

20 Defendants.
21

) Case No.: 3:18-cv-04929-RS

) **STIPULATION AND ORDER FOR**
) **DEPOSIT OF FUNDS, PAYMENT**
) **OF DEPOSITED FUNDS AND**
) **DISCHARGE OF STANDARD**
) **INSURANCE COMPANY AS**
) **MODIFIED BY THE COURT**

22 The parties to this action are Interpleader Plaintiff STANDARD
23 INSURANCE COMPANY (“Standard”) and Interpleader Defendants, VICTORIA
24 P. GILLILAND, as an individual and as a Trustee of The Gilliland Revocable
25 Trust, along with four individual Defendants DAVID GILLILAND, JEFFREY
26 GILLILAND, MATTHEW GILLILAND, and LISA GILLILAND (collectively all
27 named Defendants in this action are referred to as the “Interpleader Defendants”).
28

1 **I. STIPULATION**

2 Standard and the Interpleader Defendants (collectively the “Parties”)
3 **STIPULATE** as follows.

4 1. The Court has “Federal Question” jurisdiction of this matter under the
5 Employee Retirement Income Security Act, 29 USC 1001, et seq, commonly
6 known as ERISA, especially 29 USC § 1132(a)(3), or, diversity jurisdiction, as this
7 is an action between Plaintiff, on the one hand, an Oregon Corporation with its
8 Principal Place of Business in (Portland) Oregon, and Interpleader Defendants, on
9 the other hand, each of whom is domiciled in California (and none of whom is
10 domiciled in Oregon), and in which “the amount in controversy exceeds the sum or
11 value of \$75,000.00, exclusive of interest and costs.” 28 USC § 1332(a). Venue is
12 appropriate in this Court.

13 2. This interpleader action concerns one million dollars (\$1,000,000.00) in total
14 employee benefits (the “Benefit”) payable upon the death of James George
15 Gilliland, Jr. (the “Decedent”). The Benefit is comprised of life benefits (five
16 hundred thousand dollars (\$500,000.00)) and accidental death and dismemberment
17 benefits (five hundred thousand dollars (\$500,000.00)) under Group Policy No.
18 753323-A, to wit, the Group Life Insurance Policy (the “Policy”) Standard issued
19 to Decedent’s employer, Kilpatrick Townsend Stockton LLP, as Policyholder.
20 Standard, as Interpleader Plaintiff, alleged in the Complaint on file in this action
21 entitlement to relief in interpleader and sought an order allowing it to deposit funds
22 for interpleader (eventually to be paid as ordered by the Court), and, following
23 deposit, a discharge from all liability. The Interpleader Defendants contest these
24 allegations.

25 3. Despite their differences, the Parties have now resolved this entire matter
26 pursuant to the “Confidential Mutual Release and Releasors’ Instructions for
27 Payment of Benefit,” (the “Confidential Release”). All parties to the Confidential
28 Release have executed the Confidential Release. This stipulation and proposed

1 order have been submitted pursuant to the terms of that Confidential Release and
2 settlement is conditioned on the Court's approval, execution and entry of the Order
3 submitted herewith.

4 4. In connection with the matters alleged in the Complaint, Pacer document 1,
5 especially the introductory paragraph and ¶¶ 24-26, 35 and 37, two years after the
6 fact, the investigating authorities have never named nor cleared anyone of
7 wrongdoing in any connection with the matters alleged in the Complaint.

8 5. Standard shall, subject to the Court's execution and entry of the Order that
9 follows, tender for deposit to the Clerk of the Court the sum of one million fifty
10 thousand dollars (\$1,050,000.00), which the Parties agree represents the total due
11 as payment of the Benefit and any and all accruals of interest (or any other kind of
12 accrual) on the Benefit.

13 6. Interpleader Defendants agree that, after Standard's deposit of one million
14 and fifty thousand dollars (\$1,050,000.00), the entirety of that sum, less any
15 administrative expenses of the Court plus any accrued interest, shall be paid by the
16 Clerk of the Court to Victoria P. Gilliland as an individual. Standard does not
17 oppose that result and accordingly stipulates to it.

18 7. Assuming payment to Victoria P. Gilliland is made as provided in the Order
19 that follows, no other sums are due to any of the Interpleader Defendants or to any
20 other person or entity, including but not limited to all those collectively identified
21 as "Releasers" in the Parties' Confidential Release, either under the Policy or in
22 any other connection of any kind.

23 8. On payment as set forth in ¶ 5 of the Order, below, the Court should
24 discharge and Standard will be discharged from all liability, past, present or future,
25 in any connection with this action, the Policy, payment of the Benefit or handling
26 of claims to or for the Benefit.

27 9. The Parties agree Standard shall forever waive any claims for attorney fees
28 or costs as an Interpleader Plaintiff. The Parties further agree each of them forever

1 waives any other claims for attorney fees or costs in any connection with this
2 matter and agrees, upon resolution of this matter as specified in the Order filed
3 herewith, cooperatively to take all steps necessary and reasonable to effect
4 dismissal of this action with prejudice and without attorney fees or costs.

5 **SIGNATURE ATTESTATION:**

6 I, Warren H. Nelson, Jr., counsel to Standard Insurance Company, hereby
7 attest under penalty of perjury that I have in my possession the original signatures
8 of Andrew R. Verriere, Esq., counsel to Victoria P. Gilliland individually and as
9 Trustee of The Gilliland Revocable Trust, and Michael C. Cooper, Esq., counsel to
10 David Gilliland, Jeffrey Gilliland, Matthew Gilliland, and Lisa Gilliland,
11 stipulating as noted above and approving as to form as noted below the Order
12 submitted herewith.

13 **SO STIPULATED and ATTESTED:**

14 Dated: November 21, 2018

/s/ Warren H Nelson Jr.
WARREN H. NELSON, JR. #104744
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Attorney for Plaintiff
STANDARD INSURANCE COMPANY

20 **SO STIPULATED:**

21 Dated: November 16, 2018

/s/ Andrew R. Verriere
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Attorneys for Defendant
VICTORIA P. GILLILAND, as Trustee of
The Gilliland Revocable Trust and as an
Individual

1 SO STIPULATED:

2 Dated: November 20, 2018

3 /s/ Michael C. Cooper
4 GUY D. CALLADINE #99431
5 MICHAEL C. COOPER #114729
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13 Attorneys for Defendants
14 DAVID GILLILAND, JEFFREY
15 GILLILAND, MATTHEW GILLILAND,
16 AND LISA GILLILAND

17 II. ORDER

18 The Court has examined the allegations of Standard's complaint on file in
19 this action, especially the introductory paragraph, ¶¶ 24-26, 35, 37, and the Parties'
20 immediately foregoing Stipulation, especially ¶ 4, above. The Court **FINDS**, given
21 the current status of this matter, that Standard can pay the Benefit as hereinafter
22 provided, and, Standard shall thereafter be **DISCHARGED** from any liability to
23 any person or entity upon Standard's deposit and payment by the Clerk in
24 accordance with the terms of the Parties' Stipulation and the following Order. The
25 Court therefore **ORDERS**:

26 1. Standard shall forthwith, and in any event no later than fifteen (15) days
27 following electronic service via NEF of this Order as executed by the Court and
28 filed on the Court's ECF system, deposit the sum of one million fifty thousand
dollars (\$1,050,000.00) into the court registry. Standard shall make its check for
the Funds for Deposit payable to "Clerk, U.S. District Court" and, together with
this document, shall present its check to the Clerk of the Court.

2. The Clerk shall accept Standard's check for the Funds for Deposit, which are
immediately to be deposited into the court registry and handled in accordance with
General Order No. 31.

1 3. Standard shall give prompt notice its check for the Funds for Deposit has on
2 presentment been paid. Standard shall file this “Notice of Payment of Standard’s
3 Check for Funds for Deposit” within three business days after Standard has
4 documentary evidence confirming payment by Standard’s bank of Standard’s
5 check for the Funds for Deposit. Standard shall, in addition to efileing the Notice of
6 Payment of Standard’s Check, hand deliver within one business day to the Clerk’s
7 office a copy of the Notice of Payment of Standard’s Check for Funds for Deposit
8 (as efiled and as downloaded from the Court’s website following efileing) together
9 with a copy of this Order.

10 4. Within ten (10) days after Standard has complied with ¶ 3 and **without any**
11 **further ORDER or notice from the Court**, the Clerk shall issue its check in the
12 amount of the Funds for Deposit, less any administrative fees and plus any interest
13 then payable, to “Victoria P. Gilliland.”

14 5. As soon as the Clerk’s check to Victoria P. Gilliland has been honored and
15 paid, the Court **ORDERS** that Standard shall be and is unconditionally and fully
16 **DISCHARGED** and **RELEASED** from any liability in any connection with the
17 Benefit, payment of the Benefit, payment of accruals of any kind on the Benefit,
18 handling of the claims to the Benefit or anyone making any further claim of any
19 kind on the Policy. Interpleader Defendants, and anyone claiming by or through
20 them, including their heirs or successors in interest, shall, immediately upon the
21 time the Clerk’s check to Victoria P. Gilliland is paid and honored, be enjoined
22 from making or assisting anyone in making any claim of any kind against Standard
23 in any connection with the Benefit, payment of the Benefit, handling of the claims
24 to the Benefit or making any further claim of any kind on the Policy.

25 6. Victoria P Gilliland shall, within 24 hours of the time the Clerk’s check to
26 her has been honored and paid, via email from her counsel to Standard’s counsel,
27 so advise Standard’s undersigned counsel.
28

1 7. Standard shall then immediately prepare and the parties shall immediately
2 and jointly file a dismissal with prejudice of this entire action providing that none
3 of the Parties shall ever make any claim for attorney fees and costs or any expense
4 of any kind.

5 8. The Court notes that each of the Parties' counsel has approved this **ORDER**
6 as to form:

7 **APPROVED AS TO FORM:**

8 Dated: November 21, 2018

/s/ Warren H Nelson Jr.
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Attorney for Plaintiff
STANDARD INSURANCE COMPANY

14 **APPROVED AS TO FORM:**

15 Dated: November 16, 2018

/s/ Andrew R. Verriere
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Attorneys for Defendant
VICTORIA P. GILLILAND, as Trustee of
The Gilliland Revocable Trust and as an
Individual

1 APPROVED AS TO FORM:

2 Dated: November 20, 2018

3 /s/ Michael C. Cooper
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13 Attorneys for Defendants
14 DAVID GILLILAND, JEFFREY
15 GILLILAND, MATTHEW GILLILAND,
16 AND LISA GILLILAND

17 **IT IS SO ORDERED.**

18 Dated: November 26, 2018

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20 Richard Seeborg
21 United States District Court Judge
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